

Fiscal Note



Fiscal Services Division

SF 2154 – Naturopathy Licensing (LSB 5036SV)

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Fiscal Note Version – New

Description

Senate File 2154 requires the licensure of naturopathic physicians. Naturopathy is a medical system that is guided by a philosophy that emphasizes the healing power of nature. The Bill specifies the qualifications for licensure and scope of practice, and details the functions that practitioners of the profession may not perform. The Bill places the regulation of the practice of naturopathic medicine under the Board of Medicine and establishes a Naturopathic Advisory Council to consist of seven members. The Council would provide assistance to the Board of Medicine and would not receive a per diem or have expenses reimbursed. Fees assessed to licensees are retained by the Board to be used for administrative support and are renewed every two years.

The Bill directs the Board of Medicine to apply to the <u>lowAccess Revolving Loan Fund</u> to support the inclusion of licensed naturopathic physicians in the licensure management system used for the Boards of Dentistry, Nursing, and Medicine.

Background

As of 2011, 16 states (Alaska, Arizona, California, Connecticut, Hawaii, Idaho, Kansas, Maine, Minnesota, New Hampshire, North Dakota, Oregon, Utah, Vermont, Washington) and the District of Columbia have licensing requirements for naturopathic physicians.

Assumptions

- Six naturopathic physicians will become licensed in the first year and six new licenses will be issued in each subsequent year.
- The naturopathic licensure fee will be the same as those for M.D.s and D.O.s, currently \$450, and will be renewed biennially. License fees will generate \$2,700 in each of the first and second years of licensure.
- Annual staff and administrative costs are expected to be less than \$35,000 and can be absorbed by the Board of Medicine.
- There is a one-time cost of \$75,000 to \$100,000 to update the <u>Board of Medicine's</u> licensure management system to include naturopathic physicians. These costs are eligible to be funded by the <u>lowAccess Revolving Loan Fund</u>.
- Services provided by naturopathic physicians are not currently benefits covered by Medicaid and, thus, will not increase costs to Medicaid. The federal Patient Protection and Affordable Care Act does not mandate that states include services provided by licensed naturopathic physicians as eligible Medicaid benefits.

Fiscal Impact

There is no impact to the General Fund.

<u>Senate File 2154</u> will produce a one-time cost of \$75,000 to \$100,000 in FY 2013 to update the licensing management program used by the Board of Medicine. This cost is eligible for funding through the <u>lowAccess Revolving Loan Fund</u>.

Staffing and administrative costs are expected to be minimal and to be absorbed by the <u>Board of Medicine</u>.

Sources

Board of Medicine Department of Human Services Iowa Naturopathic Physicians Association LSA Analysis

 /s/ Holly M. Lyons
February 29, 2012

The fiscal note for this bill was prepared pursuant to <u>Joint Rule 17</u> and the correctional and minority impact statements were prepared pursuant to <u>Iowa Code section 2.56</u>. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.